

**Opening Statement of the Honorable John Shimkus
Subcommittee on Environment and the Economy
Hearing on “Modernizing the Business of Environmental Regulation and
Protection”
July 23, 2014**

(As Prepared for Delivery)

Every day we hear about innovations in system communications and logistics that make businesses more productive. Some of this modernization is technological and some is just common sense. Today, we explore these system innovations in the context of environmental regulation – modernizing environmental programs and making them more efficient.

The states and EPA are partners in the business of working toward cleaner air, water, and soil because the states implement a significant percentage of the environmental laws and EPA relies on the states for the implementation of its programs. In this age of declining budgets and workforce, states, EPA, the regulated community, and the public must work together to find ways to improve environmental protection while spending less resources.

A great example of Congress working with EPA and the regulated community to modernize and streamline the way an existing statute is carried out began with enactment of Public Law 112-195, the Hazardous Waste Electronic Manifest Establishment Act. Negotiations on this bill involved members from both parties, from several committees, from the House Leadership, and from the Senate. Once a deal was reached, it passed the House and Senate without a single dissenting vote. The president signed it into law on October 5, 2012.

This Act authorizes EPA to employ a system that uses electronic manifests to track shipments of hazardous waste, under Resource Conservation and Recovery Act (RCRA) Subtitle C, from its generation to ultimate disposal. This streamlines the current process, which requires paper forms, and replaces the millions of paper manifests produced each year.

Today, we'll hear from the Commissioners of three states' who will share their stories about how their states analyze their programs to determine how they can boost efficiency while maintaining or improving environmental protection. Arizona applies a management principle used in the private sector called “Lean” which is centered on preserving or creating value using fewer resources.

The process improvements made in Arizona as a result of the Lean analysis have resulted in a decrease in the average permitting timeline by more than 60 percent and reduced the average time for a facility to return to compliance by more than 50 percent. That means greater and faster protection of the environment and shortening the wait time for the regulated entity to use the permit to carry out their business strategy. Government and permit holders both win.

Arkansas will give us examples of its modernization efforts, including how state site inspectors are now using electronic tablets to record inspection data and allow the regulated community to sign the forms at the time and place of the inspection. The permit holder obtains the inspection form on the spot which means they will know immediately what they need to fix and will allow them to return to compliance much more quickly. Again, most everybody is a winner.

Massachusetts will tell how it plans to use geographic information systems and mapping software to provide easy access to site cleanup documents to enable realtors and investors to more easily identify sites that are available for redevelopment. This facilitates real estate redevelopment. Economic growth and environmental cleanup are both improved.

And finally, Bill Kovacs will give us the perspective of the regulated community. We expect Bill to discuss how these initiatives affect the bottom line of businesses across America and what further modernization steps could be taken.

We welcome all our witnesses and look forward to their testimony.

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